

# MINUTES OF THE CURRENT USE BOARD

## Rulemaking Hearing

### DRAFT

**DATE:** January 16, 2013

**TIME:** 1:00 p.m.

**PLACE:** NH DRA, 109 Pleasant Street, Concord

### **BOARD MEMBERS:**

Senator David Pierce	Representative Robert Haefner
Stephan Hamilton, NHDRA, Chairman	Lorraine Merrill, Dept. of Agriculture ~ <i>Absent</i>
Norm Bernaiche, NHAAO, City Official	Scott Bartlett, NHAAO, Towns >5,000
Gary Karp, NHAAO, Towns <5,000	Jon Wraith, UNH Life Science & Agriculture
Carol Andrews, NHACC ~ <i>Absent</i>	Susan Francher, NH Forests and Lands ~ <i>Absent</i>
Lindsay Webb, NH Fish & Game	Public Member, Farm Land ~ <i>Vacant</i>
David Tellman, Public Member, Forest Land ~ <i>Absent</i>	Thomas Thomson, Public Member ~ <i>Absent</i>

### **MEMBERS OF THE PUBLIC:**

Jasen Stock, NHTOA	Rob Johnson, NH Farm Bureau
David Cornell, NHDRA	

Chairman Hamilton convened the rulemaking hearing at 1:00 p.m.

### Introductions

Chairman Hamilton briefly summarized the rulemaking process.

Chairman Hamilton summarized the initial proposal to readopt with amendments Current Use Administrative Rules Cub 304.07 and Cub 304.08 to be effective April 1, 2013. The amendments are as follows:

**Cub 304.07 Assessment Ranges for Forest Land Categories.** The assessment ranges for forest land categories without documented stewardship shall be as follows:

- (a) The category of white pine shall be [~~\$125 to \$188~~] **\$118 to \$177** per acre;
- (b) The category of hardwood shall be [~~\$57 to \$85~~] **\$43 to \$65** per acre; and
- (c) The category of all other shall be [~~\$47 to \$74~~] **\$31 to \$47** per acre.

**Cub 304.08 Assessment Ranges for Forest Land Categories with Documented Stewardship.** The assessment ranges for forest land categories with documented stewardship shall be as follows:

- (a) The category of white pine shall be [~~\$91 to \$137~~] **\$87 to \$131** per acre;
- (b) The category of hardwood shall be [~~\$31 to \$46~~] **\$21 to \$32** per acre; and
- (c) The category of all other shall be [~~\$43 to \$64~~] **\$10 to \$15** per acre.

Chairman Hamilton asked for comments from the public and the Board pertaining to the Assessment Range amendments.

Mr. Stock stated, "We've been engaged in the process of this formula and are supportive and pleased to finally have 100% adoption of the new assessment formula. We look forward to using 100% of the new formula in calculating the rates

moving forward. I appreciate the work the staff, as well as the Board has done to get us to this point and we are fully supportive for these reasons.”

Chairman Hamilton gave a brief summary of the process of generating these values, what they represent and how the estimates are determined every year. A discussion followed.

Mr. Bartlett expressed a concern as an assessor of a southern community; there is a trade off in the northern communities between the current use value and the timber tax. In southern communities, a larger portion of land in current use is not used for forestry purposes but rather for open space. A brief discussion followed about the concerns of the decreasing rates, the impact on communities and some off-setting factors to consider. Going forward, it will be important to understand how the model works, the considerations involved and the impact on taxpayers.

Representative Haefner ***motioned to proceed into final rulemaking with Cub 304.07 and Cub 304.08 as amended.*** Mr. Wraith ***seconded the motion.*** Chairman Hamilton called the motion. Senator Pierce abstained. ***All others approved.***

Chairman Hamilton summarized the initial proposal to readopt with amendments Current Use Administrative Rules Cub 304.13 and Cub 304.14 to be effective April 1, 2013.

#### **Cub 304.13 Assessment Range for Unproductive Land**

The assessment for unproductive land shall be \$[20]**10** per acre.

#### **Cub 304.14 Assessment Range for Wetland**

The assessment for wetland shall be \$[20]**10** per acre.

Chairman Hamilton asked for comments from the public and the Board pertaining to the Unproductive Land and Wetland Assessment Range amendments.

Mr. Bernaiche ***motioned to proceed into final rulemaking with Cub 304.13 and Cub 304.14 as amended.*** Representative Haefner ***seconded the motion.*** Chairman Hamilton called the motion. Senator Pierce abstained. ***All others approved.***

Chairman Hamilton summarized the initial proposal to readopt with amendments Current Use Administrative Rule Cub 307.03 to be effective April 1, 2013.

#### **Cub 307.03 Condominium Developments**

(a) In the case of a condominium development, [~~the entire development parcel shall be considered changed at the time any construction of the road or development begins~~] **land physically changed to accommodate the construction of a building(s), curtilage and infrastructure shall be removed from current use along with the amount of open space land needed to support that building(s) until such time there is no longer 10 qualifying acres.**

(b) [~~When individual land use change tax bills are issued, they shall be assessed at the time any construction of the road or development begins.~~] **The amount of open space land needed to support the building(s) in (a) above, shall be the percentage interest that the building(s) represents in the entire project.**

(c) The percentage of ownership interest in the condominium declaration language shall be used to calculate the amount of [~~land value attributed to each unit when individual land use change tax bills are issued~~] **open space land in (b) above.**

Chairman Hamilton briefly summarized the statutory changes leading to the amendments to Cub 307.03.

Mr. Bernaiche ***motioned to proceed into final rulemaking with Cub 307.03 as amended.*** Ms. Webb ***seconded the motion.*** Chairman Hamilton called the motion. Senator Pierce abstained. ***All others approved.***

Chairman Hamilton summarized the initial proposal to readopt with amendments Current Use Administrative Rule Cub 309.02 to be effective April 1, 2013.

**Cub 309.02 Form A-5, Land Use Change Tax**

(d) The [white] cop[y]ies in Cub 309.02 (c)(1), above shall serve as a notice to the register of deeds that the lien against the property has been satisfied.

Mr. Wraith ***motioned to proceed into final rulemaking with Cub 309.02 (d) as amended.*** Representative Haefner ***seconded the motion.*** Chairman Hamilton called the motion. Senator Pierce abstained. ***All others approved.***

Chairman Hamilton stated a 10-day public comment period would follow to receive comments pertaining to the proposed rule changes. If comments are received, the Board will need to meet in order to finalize the rules going forward.

Mr. Wraith ***motioned for the Board to allow Chairman Hamilton to move forward with the rules into final rulemaking after the comment period closes on Friday, January 25, 2013, if no additional comments are received.*** Mr. Karp ***seconded the motion.*** Chairman Hamilton called the motion. ***All approved.***

Chairman Hamilton adjourned the rulemaking hearing at 2:02 p.m.

Respectfully Submitted, Stephanie Derosier  
NH Department of Revenue Administration - Property Appraisal Division

Documentation relative to the Current Use Board may be submitted, requested or reviewed by:

Telephone: (603) 230-5955  
Facsimile: (603) 230-5943  
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In person at 109 Pleasant Street, Concord  
In writing to: NH Dept of Revenue Admin.  
Current Use Board  
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